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TAGS: [PREL](#) [MARR](#) [PHUM](#) [MASS](#) [ECON](#) [PTER](#) [VE](#) [IR](#) [NU](#)  
SUBJECT: NICARAGUA'S IRAN-VENEZUELA RELATIONS

REF: A. SECSTATE 61378  
[1](#)B. MANAGUA 725  
[1](#)C. MANAGUA 726  
[1](#)D. MANAGUA 1184  
[1](#)E. MANAGUA 791  
[1](#)F. MANAGUA 06 2611  
[1](#)G. MANAGUA 859  
[1](#)H. MANAGUA 797  
[1](#)I. MANAGUA 1135  
[1](#)J. MANAGUA 179  
[1](#)K. MANAGUA 826  
[1](#)L. MANAGUA 810

Classified By: Amb. Paul Trivelli, Reasons 1.4 (b) and (d)

[1](#)1. (S) Summary: Given President Daniel Ortega's close relationship with Venezuelan President Hugo Chavez, the restoration of diplomatic ties with Iran, and the visit of President Ahmedinejad to Nicaragua, the Embassy has not formally engaged the Nicaraguans on the Venezuelan-Iranian alliance (Ref. A) at this time, as it would do more to antagonize, or energize, FSLN radicals than promote the cooperative relationship with Nicaragua that we have publicly pursued. However, the Ambassador and Emboffs have, on repeated occasions, voiced U.S. concerns about Nicaragua's succumbing to the influence of Venezuela and Iran, and privately warned that should Nicaragua be exploited to endanger our security, there would be consequences for U.S.-Nicaraguan relations. Further, we have taken care to reiterate that the EU and UN share our stance vis-a-vis Iran's nuclear ambitions. End Summary.

[1](#)2. (C) Since assuming office in January, President Ortega has received his counterpart Chavez in country on at least two occasions, and has visited Venezuela at least three times. The two countries have established political, diplomatic, and economic links, and signed a series of framework agreements in general areas of cooperation (Ref. B, C). According to a recent public opinion poll, however, a majority of the public opposes the increasing influence of Chavez in their affairs and worry that such a relationship could harm Nicaragua's international relations, particularly with the U.S. (Ref. D). We believe that Ortega is already under pressure from Chavez to openly defy the UN Security Council Resolution (UNSCR) on Iran, but is more likely to avoid dealing with the matter than take any direct action that might alienate the USG or international donors.

[1](#)3. (SBU) During President Ahmedinejad's visit to Nicaragua days after Ortega's inauguration, the two leaders signed a Memorandum of Understanding (MOU) stating that their countries will reopen embassies in their respective capitals, extend mutual support in international fora, explore areas for potential cooperation and create a Joint Commission to

supervise future bilateral cooperation. Nicaragua also promised to introduce Iran, for possible participation, to projects financed by international institutions and bilateral sources (Ref. E). To date, the National Assembly has yet to approve the agreement. The Nicaraguan Liberal Alliance (ALN), Sandinista Renovation Movement (MRS), and many Liberal Constitutional Party (PLC) National Assembly deputies oppose the agreement, in large part because of the clause that stipulates mutual support in international fora. One of the main objections is the fear that by siding with Iran, Nicaragua will alienate the United States.

¶4. (C) Since Ortega's election, the Ambassador has relayed to Nicaraguan interlocutors USG concerns about Nicaragua falling too quickly into the orbit of Hugo Chavez and engaging with pariah states such as Iran, foreign policy decisions which question the Ortega government's commitment to democracy (Ref. F). We have warned that should Venezuela or Iran exploit Nicaragua to endanger our security, there would be consequences for U.S.-Nicaraguan bilateral relations and development assistance.

¶5. (C) On a number of occasions, the Ambassador has raised the USG's designation of Iran's Defense Industries Organization (DIO) under E.O. 13382 with Foreign Minister Samuel Santos, and reiterated our position with regard to UNSCR 1747, urging the GON to ensure it does not support the activities of any of the Iranian companies, entities, or individuals listed in the UNSCR 1747's annex. We have voiced concern that some of President Ortega's public statements could be interpreted as support for Iran's defiance of the United Nations (Ref. G, H, and I). Europeans who have a stake in maintaining stability in the country have backed us on this front in conversations with some of Ortega's moderate intermediaries. In separate conversations with Santos, PolCouns has also reminded the GON that the EU shares our position vis-a-vis Iran's nuclear ambitions (Ref. J and K).

¶6. (S) Although we suspect that some FSLN radicals are looking for an excuse to push Ortega to strengthen the Venezuelan-Iranian alliance, Ortega appears to be shrewdly playing his cards to strike a balance between remaining on cordial terms with the "gringos" with his need to impress revolutionary soul mates Chavez and Ahmedinejad. In our approach to the Nicaraguans, we have taken care to project USG support for Nicaragua's democracy and economic development, respect for sovereignty, and willingness to pursue a cooperative relationship. Members of the democratic opposition and civil society have praised our approach as the best means to prevent President Ortega from using the pretext of a "hostile U.S. government" as justification to fall exclusively within Venezuela's orbit of influence (ref. L)

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